



INDIA NIPPON ELECTRICALS LIMITED

Factory : Hosur - Thalli Road,
Uliveeranapalli,
Hosur - 635 114,
Tamil Nadu.

Tel : +91 - 4347 - 230300 / 230221
Fax : +91 - 4347 - 233431
CIN : L31901TN1984PLC011021

E.mail : inelhsr@inel.co.in
inelmkt@inel.co.in
Web. : www.indianippon.com

June 27, 2020

The Manager-Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor, Plot no C 1,
G Block, IFB Centre, Bandra Kurla Complex,
Bandra (East), Mumbai 400051
Scrip: INDNIPPON
NEAPS-online filing

BSE Ltd
Phiroze Jee Jee Towers
Dalal Street,
Mumbai 400001

Scrip: 532240
BSE Listing Centre (online)

Dear Sir/ Madam,

Sub: Audited Standalone and Consolidated Financial Results for the year ended 31st March 2020.

Ref. Please refer to our letter dated 5th June 2020 under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

At the meeting of the Board of Directors held today, i.e., 27th June 2020, the Directors, inter alia, approved the annual audited Standalone and Consolidated accounts of the company for the year ended 31st March 2020. As required by the Listing Regulations, we furnish below the following particulars:

1. **Annual Audited Financial Results:**

- 1.1 The Board of Directors at their meeting held today, approved the annual audited financial results (both standalone and consolidated) of the company for the year ended 31st March 2020. In terms of Regulation 30 of the Listing Regulations, we are enclosing a copy of the same for your information and record. **(Annexure 1)**.
- 1.2 Pursuant to Regulation 33 of the Listing Regulations, the auditors' report for the annual audited financial results (standalone and consolidated) is enclosed **(Annexure 2)**
- 1.3 We hereby confirm and declare that the Statutory Auditors, M/s Deloitte Haskins & Sells LLP, Chartered Accountants, Chennai having Registration No. ICAI Regn. No.117366W/W-100018), have issued a report containing unmodified opinion on the standalone and consolidated financial results of the company for the financial year ended 31st March 2020.

1.4 **Publication of results in newspaper/ website of the company:**

Pursuant to Regulation 47 of the Listing Regulations, an extract of the financial results in the prescribed format in English and Tamil newspapers will be published within the stipulated time. The detailed financial results (both standalone and consolidated) of the company will be available on the website of the company viz., www.indianippon.com as well as on the websites of the Stock Exchanges where the shares of the company are listed.





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2.0 Time of meeting:

The meeting of the Board of Directors of the company commenced at 14:15 hrs and concluded at 18:00 hrs.

Please take the above information on record.

Thanking you

Yours sincerely

For India Nippon Electricals Ltd

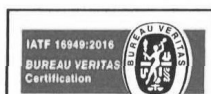
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G VENKATRAM

Company Secretary

Encl.: As above



Annexure - 1



INDIA NIPPON ELECTRICALS LIMITED

REGD. OFFICE:
"11 & 13", PATTULOS ROAD,
CHENNAI - 600 002
TEL: 28460073

WEBSITE: www.indianippon.com
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CIN: L31901TN1984PLC011021

Statement of Audited Standalone Financial Results for the Quarter and Year Ended March 31, 2020

(Rs. In Lacs except earning per share)

S.no	Particulars	Standalone				
		Quarter ended			Year ended	
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
		Unaudited			Audited	
1	Income from Operations					
	(a) Revenue from Operations	11,226	11,635	13,603	47,881	52,521
	(b) Other Income	543	113	526	2,514	1,434
	Total Income	11,769	11,748	14,129	50,395	53,955
2	Expenses					
	a. Cost of materials consumed	7,556	7,562	8,742	31,431	34,229
	b. Changes in inventories of Finished Goods, Work in Progress	4	42	125	29	(48)
	c. Other operating expenses	572	599	583	2,288	2,260
	d. Employee benefits expense	1,485	1,480	1,399	6,040	5,749
	e. Finance costs	15	14	2	56	8
	f. Depreciation and amortisation expense	263	236	207	941	773
	g. Other expenses	583	597	655	2,401	2,593
	Total Expenses	10,478	10,530	11,713	43,186	45,564
3	Profit from ordinary activities (1-2)	1,291	1,218	2,416	7,209	8,391
4	Tax expenses					
	a) Current tax	161	346	672	1,732	2,221
	b) Deferred tax	(22)	(13)	(9)	(43)	219
	Total tax expense	139	333	663	1,689	2,440
5	Profit for the year (3-4)	1,152	885	1,753	5,520	5,951
6	Other Comprehensive Income					
	(i) Items that will not be reclassified to Profit or Loss	89	(23)	1,760	(346)	1,734
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss	(631)	62	(356)	(453)	(288)
7	Total Comprehensive Income (5+6)	610	924	3,157	4,721	7,397
8	Paid-up equity share capital (Face Value of Rs.5/- each)	1,131	1,131	1,131	1,131	1,131
9	Other Equity				40,785	38,996
10	Earnings Per Share (EPS) (Face Value of Rs.5/- each) (not annualised)					
	(a) Basic EPS	5.09	3.91	7.75	24.40	26.31
	(b) Diluted EPS	5.09	3.91	7.75	24.40	26.31



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Statement of Audited Consolidated Financial Results for the Quarter and Year Ended March 31, 2020

(Rs. In Lacs except earning per share)

S.no	Particulars	Consolidated					
		Quarter ended			Year ended		
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19	
		Unaudited			Audited		
1	Income from Operations						
	(a) Revenue from Operations	11,226	11,635	13,603	47,881	52,521	
	(b) Other Income	663	105	552	2,629	1,467	
	Total Income	11,889	11,740	14,155	50,510	53,988	
2	Expenses						
	a. Cost of materials consumed	7,556	7,562	8,742	31,431	34,229	
	b. Changes in inventories of Finished Goods, Work in Progress	4	42	125	29	(48)	
	c. Other operating expenses	572	599	583	2,288	2,260	
	d. Employee benefits expense	1,485	1,480	1,399	6,040	5,749	
	e. Finance costs	15	14	2	56	8	
	f. Depreciation and amortisation expense	263	236	207	941	773	
	g. Other expenses	587	612	698	2,434	2,619	
	Total Expenses	10,482	10,545	11,756	43,219	45,590	
3	Profit from ordinary activities before Share of Gain / (Loss) from associates (1-2)	1,407	1,195	2,399	7,291	8,398	
4	Share of Net Gain / (Loss) from Associate & Others:						
	a) Share of Gain / (Loss) - Non controlling interest	0.01	(0.01)	(0.01)	(0.01)	(0.01)	
	b) Share of Gain / (Loss) on non-integral interest - Associate	(91)	(22)	(26)	(166)	(103)	
5	Profit from ordinary activities (3-4)	1,316	1,173	2,373	7,125	8,295	
6	Tax expenses						
	a) Current tax	163	346	672	1,734	2,221	
	b) Deferred tax	(22)	(13)	(9)	(43)	219	
	Total tax expense	141	333	663	1,691	2,440	
7	Profit for the year (5-6)	1,175	840	1,710	5,434	5,855	
8	Other Comprehensive Income						
	(i) Items that will not be reclassified to Profit or Loss	28	(23)	2,001	(40)	1,974	
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss	(631)	62	(356)	(453)	(288)	
9	Total Comprehensive Income (7+8)	572	879	3,355	4,941	7,541	
10	Profits attributable to :						
	a) Owners of the company	1,175	840	1,710	5,434	5,855	
	b) Non controlling interest	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	
11	Total Comprehensive income attributable to						
	a) Owners of the company	572	879	3,355	4,941	7,541	
	b) Non controlling interest	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	
12	Paid-up equity share capital (Face Value of Rs.5/- each)	1,131	1,131	1,131	1,131	1,131	
13	Other Equity				40,848	38,910	
14	Earnings Per Share (EPS) (Face Value of Rs.5/- each) (not annualised)						
	(a) Basic EPS	5.19	3.71	7.56	24.02	25.88	
	(b) Diluted EPS	5.19	3.71	7.56	24.02	25.88	

Notes :

- The operations of the Company relate to only one segment viz. Electrical and Electronic products for two/three wheelers and engines.
- The Financial results have been reviewed & recommended by the Audit & Risk Management Committee and approved by the Board of Directors at their meeting held on June 27, 2020.
- The Company has declared the first interim dividend of Rs.3 per share on face value of Rs. 5 per share on 10-Feb-2020 and the second interim dividend of Rs.3.75 per share on face value of Rs. 5 per share on 16-March-2020. The Board has decided that the first and second interim dividends will be the final dividend for the year ended 31-March-2020.
- During the year, the company has sold the land at Gurgaon and recognised the profit under other income amounting to Rs. 1,164 lakhs.
- During the year, the company sold its investment in Synergy Shakti Renewable Energy Limited, an associate, for Rs. 196 lakhs. The deferred tax asset pertaining to this investment which was recognized in Other Comprehensive Income (OCI) in the previous years has been reversed in the current year through OCI.
- Effective April 01, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 01, 2019 using the modified retrospective method, which resulted in recognition of Right-of-use asset amounting to Rs. 570 lakhs and an equivalent lease liability. The effect of this adoption on the standalone and consolidated profit for the year and earnings per share is not material. Further, land taken on lease in the previous year has been reclassified to Right-of-use asset amounting to Rs. 936 lakhs.
- The company has assessed the impact of COVID-19 on its financial results based on the internal and external information, to the extent known and available, up to the date of approval of these financial statements and expects to recover the carrying amounts of property, plant and equipment, investments, inventories, trade receivables, other financial assets and other assets.
- Pursuant to the Taxation Laws (Amendment) Ordinance, 2019 issued on September 20, 2019, corporate assessee have been given an option to apply a lower income tax rate with effect from April 01, 2019, subject to certain conditions specified therein. The company has evaluated the impact of availment of the said option, and accordingly, no effect in this regard has been considered in the measurement of tax expense for the quarter and Year ended March 31, 2020 and the consequent impact in the deferred tax as on that date.
- The financial results for the year ended March 31, 2020 have been audited and for the quarter ended March 31, 2020 have been reviewed by the statutory auditors of the Company. The figures for the quarters ended 31 March 2020 and 31 March 2019 are the balancing figures between the audited figures for the years ended 31 March 2020 and 31 March 2019 respectively. The unaudited year to date figures for the nine months ended 31 December 2019 and 31 December 2018, respectively, were subject to limited review by the Statutory Auditor. The Statutory Auditors did not issue a limited review conclusion for quarter ended March 31, 2019.
- The quarterly / yearly results are displayed in the corporate website www.indianippon.com.

For and on behalf of Board of Directors

Arvind Balaji

Digitally signed by Arvind Balaji
Date: 2020.06.27 17:23:03
+05'30'ARVIND BALAJI
MANAGING DIRECTORPlace : Chennai
Date : 27th June 2020



INDIA NIPPON ELECTRICALS LIMITED

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BALANCE SHEET AS AT 31 MARCH 2020

Rs. in Lacs

S.No.	Particulars	Standalone		Consolidated	
		As at 31-Mar-2020	As at 31-Mar-2019	As at 31-Mar-2020	As at 31-Mar-2019
1	ASSETS				
1.1	Non-current assets				
a)	Property, Plant and Equipment	6,039	5,905	6,039	5,905
b)	Capital Work-in-progress	1,325	686	1,325	686
c)	Investment Property	-	-	514	541
d)	Intangible assets	156	174	156	174
e)	Right of use assets	1,402	-	1,402	-
f)	Financial Assets				
	(i) Investments	13,080	13,953	11,872	12,606
	(ii) Loans	89	94	89	94
	(iii) Others financial assets	43	41	43	41
g)	Other Non-current Assets	466	1,105	466	1,105
	Non-current Assets - Total	22,600	21,958	21,906	21,152
1.2	Current assets				
a)	Inventories	3,868	3,534	3,868	3,534
b)	Financial Assets				
	(i) Investments	14,309	13,477	14,309	13,477
	(ii) Trade Receivables	8,813	10,398	8,813	10,398
	(iii) Cash and cash equivalents	1,310	600	1,369	610
	(iv) Other bank balances	768	57	1,473	773
	(v) Others financial assets	98	100	98	100
c)	Other Current assets	598	398	603	398
	Current Assets - Total	29,764	28,564	30,533	29,290
1.3	Assets classified as held for sale	508	527	508	527
	Current Assets - Total	30,272	29,091	31,041	29,817
	Assets - Total	52,872	51,049	52,947	50,969
2	EQUITY AND LIABILITIES				
2.1	EQUITY:				
a)	Equity Share Capital	1,131	1,131	1,131	1,131
b)	Other Equity	40,785	38,996	40,848	38,910
	Equity - Total	41,916	40,127	41,979	40,041
2.2	LIABILITIES				
2.2.1	Non-current liabilities				
a)	Financial Liabilities				
	(i) Lease liabilities	407	-	407	-
b)	Provisions	377	346	377	346
c)	Deferred Tax Liability (Net)	672	262	672	262
	Non-current Liabilities - Total	1,456	608	1,456	608
2.2.2	Current Liabilities				
a)	Financial Liabilities				
	(i) Trade payables				
	Total outstanding dues to micro enterprises and small enterprises	1,765	2,065	1,765	2,065
	Total outstanding dues to other than micro enterprises and small enterprises	5,839	5,462	5,839	5,462
	(ii) Lease liabilities	104	-	104	-
	(iii) Others financial liabilities	370	1,085	370	1,085
b)	Provisions	71	89	71	89
c)	Current tax liabilities (Net)	158	171	160	171
d)	Other current liabilities	1,193	1,442	1,203	1,448
	Total Current Liabilities	9,500	10,314	9,512	10,320
	Equity and Liabilities - Total	52,872	51,049	52,947	50,969

For and on behalf of Board of Directors

Arvind Balaji
ARVIND BALAJI
MANAGING DIRECTOR

Place : Chennai
Date : 27th June 2020



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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

Rs. in Lacs

S.No.	Particulars	Standalone		Consolidation	
		Apr'19 To Mar'20	Apr'18 To Mar'19	Apr'19 To Mar'20	Apr'18 To Mar'19
A.	Cash flows from Operating Activities:				
	Net Profit before tax	7,209	8,391	7,291	8,398
	Adjustments for				
	Add/(Less): - Depreciation and amortization expenses	941	773	941	773
	- Dividend Income recognised in profit or loss	(213)	(210)	(213)	(210)
	- Interest Income recognised in profit or loss	(217)	(221)	(231)	(229)
	- Increase in Fair value of investments	(423)	(349)	(423)	(349)
	- Profit on sale of investments(net)	(447)	(594)	(447)	(594)
	- Profit on sale of land	(1,165)	-	(1,165)	-
	- Property, plant and equipment written off	2	3	2	3
	- Investments written off	20	115	20	115
	- Advances written off	-	4	-	4
	- Finance costs recognised in profit or loss	55	8	56	8
	- Share of loss of associates	-	-	166	103
	-Net unrealised exchange (gain) / loss	(5)	-	(5)	(25)
	Operating Profit before Working Capital changes	5,757	7,920	5,992	7,997
	Adjustments for (increase) / decrease in operating assets:				
	- Loans	5	(1)	5	(1)
	- Other Non-current Financial Assets	(2)	(1)	(2)	(1)
	- Other Non-current assets	(1)	(920)	(1)	(920)
	- Trade Receivables	1,585	(1,067)	1,585	(1,067)
	- Inventories	(335)	(407)	(335)	(407)
	- Other Current Financial Assets	6	3	6	3
	- Other Current assets	(199)	(125)	(204)	(122)
	Adjustments for increase / (decrease) in operating liabilities:				
	- Trade Payables	77	(112)	77	(112)
	- Other Financial Liabilities	(11)	799	(11)	799
	- Other Liabilities	(250)	(55)	(245)	(60)
	- Non-current Provisions	32	85	32	85
	- Current Provisions	15	(183)	15	(125)
	Cash generated from operations	6,679	5,936	6,914	6,069
	Income taxes paid	(1,745)	(2,438)	(1,745)	(2,438)
	Net Cash generated by Operating Activities (A)	4,934	3,498	5,169	3,631
B.	Cash flows from Investing Activities:				
	Purchase of Property, Plant & Equipment (including CWIP)	(1,865)	(1,541)	(1,838)	(1,555)
	Acquisition of investments	(44,543)	(14,623)	(44,543)	(14,623)
	Proceeds on sale of land	1,184	-	1,184	-
	Proceeds on sale of investments	45,036	13,928	44,799	13,825
	Interest Received	213	231	227	239
	Dividend Received	213	211	213	211
	(Increase)/ decrease in other bank balances	(711)	277	(700)	235
	Net Cash used in Investing Activities (B)	(473)	(1,517)	(658)	(1,668)
C.	Cash flows from Financing Activities:				
	Payment of lease liabilities	(764)	-	(764)	-
	Finance costs (including interest on lease liabilities)	(55)	(8)	(56)	(8)
	Dividends and taxes on dividend paid	(2,932)	(1,773)	(2,932)	(1,773)
	Net Cash used in Financing Activities (C)	(3,751)	(1,781)	(3,752)	(1,781)
D.	Net Increase / (decrease) in Cash and Cash Equivalents (A+B+C)	710	200	759	182
E.	Add : Cash & Cash Equivalents as at beginning of the year	600	400	610	428
F.	Cash & Cash Equivalents as at end of the year	1,310	600	1,369	610

Note: Pursuant to insertion of new clause under Regulation 33, sub-regulation (3), the company has prepared standalone and consolidated statement of cash flows for the year ended 31 March 2020 and have been approved by the Company's Board of Directors.

For and on behalf of Board of Directors

Arvind
Balaji
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Arvind Balaji
Date: 2020.06.27
17:24:09 +05'30'
ARVIND BALAJI
MANAGING DIRECTOR

Place : Chennai
Date : 27th June 2020

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF INDIA NIPPON ELECTRICALS LIMITED

Opinion and Conclusion

We have (a) audited the Standalone Financial Results for the year ended March 31, 2020 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2020 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Audited Standalone and Consolidated Financial Results for the Quarter and Year Ended March 31, 2020." of **Indian Nippon Electricals Limited** ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Standalone Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2020:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2020

With respect to the Standalone Financial Results for the quarter ended March 31, 2020, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2020

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2020 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2020 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2020 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31, 2020

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2020 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Standalone Financial Results for the quarter ended March 31, 2020

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2020 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily

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of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Other Matters

- Due to COVID-19 related lockdown we were not able to participate in the physical verification of inventory that was carried out by the management in certain locations. Consequently, we have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence – Specific Considerations for Selected Items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these financial results. Our report on the Statement is not modified in respect of this matter.
- As stated in Note 9 of the Statement, the figures for the corresponding quarter ended March 31, 2019 are the balancing figures between the annual audited figures for the year then ended and the year to date figures for the 9 months period ended December 31, 2018. Our report on the Statement is not modified in respect of this matter.
- The Statement includes the results for the Quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

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Ananthi Amarnath
Partner
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Place: Chennai
Date: June 27, 2020

Deloitte Haskins & Sells LLP

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF INDIA NIPPON ELECTRICALS LIMITED

Opinion and Conclusion

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2020 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2020 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Audited Standalone and Consolidated Financial Results for the Quarter and Year Ended March 31, 2020" of **Indian Nippon Electricals Limited** ("the Parent") and its subsidiary (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net (loss) after tax and total comprehensive loss of its associate (upto March 27, 2020) for the quarter and year ended March 31, 2020 ("the Statement being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of the other auditors on separate financial statements of the subsidiary and associate referred to in Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2020:

- (i) includes the results of the following entities:

Name	Relationship
PT Automotive Systems Indonesia	Subsidiary
Synergy Shakthi Renewable Energy Private Limited (upto March 27, 2020)	Associate

- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended March 31, 2020.

(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2020

With respect to the Consolidated Financial Results for the quarter ended March 31, 2020, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not

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disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2020

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2020 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditor in terms of their report referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2020, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2020 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group including its associate in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

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The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities

(a) Audit of the Consolidated Financial Results for the year ended March 31, 2020

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2020 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results, entities within the Group and its associate to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of entities included in the Annual Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Annual Consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision

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and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2020

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2020 in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SA specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

Other Matters

- Due to COVID-19 related lockdown we were not able to participate in the physical verification of inventory that was carried out by the management in certain locations. Consequently, we have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence – Specific Considerations for Selected Items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these financial results. Our report on the Statement is not modified in respect of this matter.
- As stated in Note 9 to the Statement, the figures for the corresponding quarter ended March 31, 2019 are the balancing figures between the annual audited figures for the year then ended and the year to date figures for the 9 months period ended December 31, 2018. We have not issued a separate limited review report on the results and figures for the quarter ended March 31, 2019.
- The Statement includes the results for the Quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.

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- We did not audit the financial statements of one subsidiary included in the consolidated financial results, whose financial statements reflect total assets of Rs. 1,282 lakhs as at March 31, 2020 and total revenues of Rs. Nil for the year ended March 31, 2020, total net profit after tax of Rs. 80 lakhs for the year ended March 31, 2020 and total comprehensive income of Rs. 80 lakhs for the year ended March 31, 2020 and net cash flows of Rs. 82 lakhs for the year ended March 31, 2020, as considered in the Statement. The consolidated financial results also includes the Group's share of (loss) after tax of Rs. 166 lakhs for the year ended March 31, 2020 and Total comprehensive loss of Rs. 166 lakhs for the year ended March 31, 2020, as considered in the Statement, in respect of one associate (upto March 27, 2020) whose financial statements have not been audited by us. These financial statements have been audited, by other auditors whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and associate, is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above. Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

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Ananthi Amarnath
Partner
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Place: Chennai
Date: June 27, 2020